Impact Evaluation Methods

Examination questions:

Deadline: 12 April 2020

To be sent to: <u>npace@unite.it</u>

Note: each answer must not exceed 2 pages (12Pt Times New Roman, single spaced) The exam must be returned writing "IE exam MESCI" on the subject of the e-mail. Please, name your file "FIRST NAME_LAST NAME_IE".

Good Luck!

Question 1

Read chapter 3 of the book From Evidence to Action: <u>http://www.fao.org/3/a-i5157e.pdf</u> and then reply the questions below.

- a) Briefly summarize the theory of change presented in Figure 3.1 highlighting the difference between mediators and moderators and immediate/direct impacts and impacts that are less immediate.
- b) Then select 3 indicators: a) one related to immediate impacts, b) one related to medium term impact and c) one related to mediators and report on the impacts observed for each one of them in the final evaluation report; d) also discuss whether there has been any statistically significant difference in relation of the results of the midline evaluation. Find here the Final report of the evaluation:

https://www.unicef.org/evaldatabase/files/Malawi_Social_Cash_Transfer_Pr ogramme_Endline_Impact_Evaluation_Report_Malawi_2016-005.pdf Results for the midline evaluation are also reported in the Final report.

Question 2

Explain with your own words why Randomized Control Trials are considered the gold standard in impact evaluation. In doing so, cover the following points: a) Which problem does it solve and how? b) In the specific case of Malawi, how the evaluators assessed whether the randomization has worked or not?

c) Which tables in the baseline report (http://www.fao.org/fileadmin/user_upload/p2p/Documents/Malawi_SCTP_Bas eline_Report-rev2014July8.pdf) are relevant to assess whether or not randomization has worked?

d) One should expect that no statistically significant differences between treated and control groups would be found for <u>any</u> of the indicators assessed at the baseline? Why?

e) Which country cases discussed in the Chapter 3 of the book Evidence to Action report on countries that did not accept to have an experimental design evaluation based on ethical concerns? What were the government arguments? Do you agree with them?

Question 3

Still Based on the Chapter 3 of the book Evidence from Action. On the case of Ethiopia.

a) What was the quasi-experiment (non-experimental technique that evaluators though of using and ended up not using in the case of Ethiopia?

b) How the method that was planned in the case of Ethiopia, but was not used solves the problem of selection bias?

c) See Table 3.1 on Chapter 3: why do you think that no evaluation of the Transfer Project has used Regression Discontinuity Design method to identify the impact of cash transfers?

d) How does difference-in-differences helps to control for unobserved differences between treated and control groups? Which type of unobserved differences can be controlled for using this method?

e) To apply difference-in differences methods is it necessary that both treated and control groups have the same baseline levels? Why?

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Question 4

Based on the Malawian case (back to the final report)

a) What is the basic assumption of the difference-in-differences method? Although this assumption cannot be proven, it can be tested. What are the four ways to test it? Please provide a brief description of them using the Malawi SCTP evaluation as an example. In particular, tell us which data would be necessary to apply each one of the tests.

b) Why attrition could be a problem in the impact estimates? Discuss the attrition levels reported in the evaluation report.

c) On section 3.5 of the Chapter 3 of the From Evidence to Action book, there is a discussion about the use of weights to rectify attrition problems. How does IPW – inverse probability weight – method solve this problem?